

Business- Family Interface and the Capacity of Managing Challenges Faced by the Women Entrepreneurs of Informal Sector - A Relationship Study

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Abstract

Background / Objectives: Economic liberalization and globalization Women Entrepreneurship is gaining importance in India. In this era women are considered as the back bone of not just their own family but the nation's economy. Women are capable of playing so many roles and they are wearing so many feathers in their hat. Managing an enterprise is not an easy task, that too in informal sector obviously women have to face lot of Challenges. So many researches were conducted to study the Challenges faced by Women Entrepreneurs, but the studies on solutions to manage the Challenges are limited.

Methods / Statistical Analysis: Based on this research gap, by using descriptive research design this study is conducted to examine whether support from family influencing the challenge facing capacity of Women Entrepreneurs of Salem district. For that purpose 142 samples were collected using snowball sampling technique.

Findings: The researcher found that, Women Entrepreneurs are having consideration about the Challenges even before choosing their Business and their choice is influenced by the level of Challenges. The perception of challenge is changing according to their choice of Business and the positive support of the family is giving prominent confidence to the Women Entrepreneurs and it also influence the challenge facing perception of Women Entrepreneurs.

Improvements/ Applications: As we know the role of Women Entrepreneurship and role of informal sector in Indian economy, government has to take initiatives to give psychological counseling to the family members of Women Entrepreneurs. So that their perception towards Challenges will change.

Keywords: Business Family Interface, Women Entrepreneurs, Informal Sector, Managing Challenges.

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1. INTRODUCTION

In recent days, Women are proving that they are equally competent enough in all the areas of Business, in this regards they are proving their capability in entrepreneurship also. In India women are active players in informal sector (Mbeche, 2002). The term informal sector was first used by the International Labor Organization (ILO) to characterize a wide range of small and unregistered

economic activities. The informal sector may be defined as those establishments that employ less than 10 persons with or without use of power. The informal sector consists of all activities that are not registered, taxed, licensed, statistically documented (Thomas, 1988). ILO defines informal sector as “enterprises with a small scale of operation, family ownership, labor intensive units, adaptive technology and operating in unregulated and competitive markets”. The women-led enterprises are started with a capital contributed by their own out of their savings or finance supported by their family. And sometimes these enterprises are supported by family members; sometimes they are managed by women alone (Sasikala, 2005). According to Marichami (2013) Women Entrepreneurs are getting major support from training institutions and Government and a considerable level of support from their family members. Compared to male, female are getting more Challenges in entrepreneurship. They have to face lot of difficulties and overcome a number of Challenges to get success in their ventures. According to Jahanshahiet *al.*, (2010), here are some Challenges specifically faced by Women Entrepreneurs.

Male Dominant Society

For a long period the field of entrepreneurship has been dominated by male, now the trend is slowly changing but still there is a long way to go. Even though we have successful Women Entrepreneurs like Indira Nooyi who is chairman of PepsiCo, still women are considered as physically and emotionally weak (Mayank Kumar, 2018).

Limited Resources

Finance is the life blood of the Business, however large number of Indian women don't have properties in their name. Hence they encounter the problems in arranging finance due to non availability of collateral security. They are forced to expect their family for their financial requirements.

Work Life Balance

Across the world women are expected to play prominent role in households and taking care of the family. When they getting in to entrepreneurship, they are expected to do both and they are not given exception from household and getting administrative and financial support from family is also not certain.

Lack of Education

Illiteracy is major problem in India, around 3/5 of women are illiterate. Even if they want to start-up a Business, due to lack of education, technology, unawareness of recent trend of Business & market knowledge. They are facing problems in Business enterprise.

Lack of Motivation

Motivation plays a very significant role in running a Business venture. Women because of the above mentioned reasons sometimes lack motivation to initiate their venture.

2. REVIEW OF LITERATURE

According to Mishra & Kiran (2014) women are becoming socially and economically independent and empowered through running up their own enterprises and contributing equally for the economic growth of the country and this brings overall changes in the society. Acs *et al.*, (2008) stated there is prominent relationship between Women Entrepreneurship and economic development (Swetha & Rao, 2013). The study conducted by Deepa & Divya (2015) found that the entrepreneurship generates employment and provides status to the women. No doubt improves the wealth of the nation in general and of the family's particular. But very few Women Entrepreneurs are in the big enterprises, Women are mainly concentrating in the Small Scale Industries (SSIs) (Arundhati, 2005). The various constraints in Business and the family burden restrict them to start the Business in large scale. There is no doubt regarding the fact that women are intelligent, hard work and efficient in work; they put heart and soul together in whatever they undertake, but the pressure

between personal life and career was a major problem for these women (Sullivan & Meek, 2012). Neide (1987) stated managerial and financial support from family is valuable and it is also prominent for the success (Cetindamaret *al.*, 2012 & Griffiths *et al.*, 2013), in their study of socio-cultural factors and its influence on Women Entrepreneurship also highlighted the positive support of family has influence on the success of Women Entrepreneurship.

According to Harris (2004) Women Entrepreneurs are facing capital acquisition marketing problems in startup stage and managerial and administrative issues when the Business matures. Specifically when it comes to administration women are required to be more assertive and more forceful in exercising their legitimate power (Swaminathan & Buvaneshwaran, 2005). Hookingsing & Esso (2003) also pointed few obstacles face by woman entrepreneur they are hassle getting permits, the lack of market, the ability of raising capital and not being taken seriously as men. To face these kinds of Challenges Saritha (2007) suggested, women have to be compatible with both social and economic worlds and empower them towards Self-Confidence and self-reliance. The Business-Family Interface has two perspective one is instrumental support another is moral support both has influence on Women Entrepreneurship (Eddleston & Powell, 2012; Greenhaus & Powell, 2006; Powell & Eddleston, 2013).

3. STATEMENT OF THE PROBLEM

Purpose of this paper to examine the reason behind their choice of Business and their perception of Challenges faced by Women Entrepreneurs in informal sector, and whether the families support influences the capacity of managing those Challenges faced by Women Entrepreneurs in informal sector of Salem district.

3.1. OBJECTIVES

- To study the determinants of choice of Business of Women Entrepreneurs in informal sector.
- To study the Challenges faced by Women Entrepreneurs of informal sector.
- To study the influence of Business choice on the Challenges faced by the Women Entrepreneurs of informal sector.
- To study the level of Business-Family Interface of the Women Entrepreneurs of informal sector.
- To study the influence of Business-Family Interface on managing the Challenges faced by the Women Entrepreneurs of informal sector.

3.2. HYPOTHESIS

For the purpose of present study, the under-mentioned hypotheses have been framed and tested by applying appropriate statistical tools.

H0₁: There are no specific reasons for choosing a particular Business.

H0₂: The perceptions about the entrepreneurial Challenges are not identical.

H0₃: There is no relationship between the choice of Business and the Challenges faced by the Women Entrepreneurs.

H0₄: There is no significant association between Business-Family Interface and nature of Business.

H0₅: There is no significant association between Business-Family Interface and Managing Challenges by Women Entrepreneurs of Salem district.

4. RESEARCH METHODOLOGY

4.1. Research Design

To study the Challenges faced by Women Entrepreneurs and the influence of family support on those Challenges, the researcher used Descriptive research design and primary data was collected from Women Entrepreneurs from unorganized sector. This study is based on primary data; structured

questionnaire was used to collect data from Women Entrepreneurs. For collecting the primary data snowball sampling technique is applied. The researcher met 150 Women Entrepreneurs for data collection, out that 8 were incomplete. Totally 142 respondents were considered for this study.

4.2. Ethical Considerations

Consent of the respondents was sought before collecting the primary data. All the respondents were made to know that they are free to back out of the study at any point of time and that information collected for this research will not be used for any other purpose, as well as their identities will be kept strictly confidential.

4.3. Tools of Analysis

Appropriate statistical tools like percentage analysis, chi-square test, Friedman Test are applied to get a valid conclusion.

5. ANALYSIS

5.1. The reasons for choosing a particular Business

Table 5.1.1 Showing the factors determining the choice of Business

Reasons	Business						Chi square value	P value
	Vegetable / Fruit shop	Beauty Parlor	Mess	Petty Shop	Provision Store	Dress Selling		
High profit	4	2	6	0	10	0	57.858	0.001**
Low competition	8	8	6	10	4	10		
Easy to start and manage	18	5	10	10	8	3		
Family Business	4	0	6	6	2	2		
Total	34	15	28	26	24	15		

Since, the P value is less than 0.01 the null hypothesis (H_0) is rejected at 1% level of significance. Hence there is significant relationship between reason for choosing Business and the choice of Business. The respondent looking for high profit

prefers running a provisions store, the respondents who prefer Business with less competition prefers petty shop and dress selling. Respondent's who needs a Business which is easy to start and manage majorly prefers vegetable or fruit shop, their next preference is mess and petty shop. 20 respondents are taking care of their family Business regardless of their own choice.

5.2. Priority of Challenges faced by Women Entrepreneurs

Since the p value is less than 0.01 the null hypothesis (H_0) is rejected at 1% level of significance. Hence there is a highly significant difference in the perception of Challenges faced by the Women Entrepreneurs of Salem district. Based on the choice of Business, their perception about Challenges is also getting differing. From the mean score they consider sourcing of raw material and transportation as major issues.

Table 5.2.1 showing the perception of Challenges faced by Women Entrepreneurs

Sl.No	Challenges faced by Women Entrepreneurs	Mean rank	Chi square value	P- value
1.	Sourcing raw material	10.14	94.05	0.001**
2.	Managerial problems	6.38		
3.	Lack of knowledge about the Business	8.29		
4.	Lack of sufficient support from the government	5.76		
5.	Lack of proper training	5.48		
6.	No proper infrastructural facilities	7.71		
7.	Lack of technology	8.23		
8.	Inadequate finance	5.24		
9.	Marketing	5.67		

	issues			
10	Intermediaries	4.48		
11	Labour issues	6.95		
12	Personal problems	7.52		
13	Transportation problems	9.15		

**** Significant at 1%**

5.3. Choice of Business and the Challenges faced by entrepreneurs

Since the P value is less than 0.01 the null hypothesis (H₀₃) is rejected at 1% level of significance. Hence there is a significant relationship between the choice of Business and the Challenges faced by the Women Entrepreneurs. The Women Entrepreneurs dealing with vegetable and fruit selling and mess is facing almost all kind of issues, they need to struggle for finance, tough to manage work and personal life and they even have social issues. Whereas entrepreneurs dealing with dress selling and small provisional store and petty shop are not feeling their work as challenging one.

Table 5.3.1. Showing the relationship between choice of Business and the Challenges

Business	Challenges				Chi square Value	P-value
	Finance	Work life balance	Legal issues	Social Problems		
Veg/fruit shop	12	10	10	11	45.564	0.001**
Beauty parlor	0	2	10	8		
Mess	6	10	6	9		
Petty shop	6	6	2	4		
Provisions store	8	4	2	2		
Dress shop	5	4	2	3		
Total	37	36	32	37		

**** Significant at 1%**

5.4. Nature of Business and Business Family Interface

Table 5.4.1. Showing relationship between choice of Business and family support

Nature of Business	Family Support		Chi square value	P value
	Often	Occasionally		
Trading	20	23	0.087	0.958
Manufacturing	16	26		
Service	32	35		
Total	68	74		

**** Significant at 1%**

Since the p - value is greater than 0.05 null hypothesis (H₀₂) is accepted at 5% level of significance. Hence it is concluded that there is no association between nature of Business choice and the family support. That is the family support is not the factor that deciding the nature of Business of Women Entrepreneurs of Salem district.

5.5. Family support and Nature of Managing Challenges

Table 5.5.1 Showing association between Business Family Interface and Managing Challenges by Women Entrepreneurs

Nature of family support	Ability to Managing Challenges					Total	Chi square value	P value
	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree			
Often	28	25	9	10	8	80	42.345	0.001
Occasionally	8	8	14	18	14	62		
Total	36	33	23	28	22	142		

**** Significant at 1%**

Since the p value is less than 0.01 the null hypothesis (H₀₃) is rejected at 1% level of significance. Hence there is a significant relationship between nature of family support and the ability to manage Business Challenges. Entrepreneur who is getting frequent support from her family strongly agree about her ability to manage Challenges and the entrepreneur who are getting occasional support or no support from their family side is disagree about their ability to manage Challenges.

CONCLUSION

When it comes to entrepreneurship male are allowed to focus only on their Business and the society is not expecting male to play a major role in family. Whereas in case of female the situation is different, even though they are managing their own Business, they have to take care of their family too. They have to cook for their family; they have to take care of their kids' health and education. No way are they exempted from doing this kind of activities. As they are unable to concentrate fully on their Business they have to face more Challenges compared to male entrepreneurs. So they are cautious enough in choosing their Business. Even before deciding the Business, they analyze the Challenges in that particular Business. And we could find positive and significant relationship between their Business and Challenges. Family moral support provides a woman entrepreneur confidence that she can manage her family and work responsibilities, so the chance for getting success in Business is good. (Steieret *al.*, 2009; Uzzi, 1997). Based on our study the Women Entrepreneurs of Salem district has difference in perception about the problems faced by them. They feel sourcing of raw materials and transportation as major issues. The women entrepreneur who gets frequent support from their family people is feeling confident about their entrepreneur Challenges. Even though the family support is considered as essential, we couldn't find any significant association between the family support and the choice of nature of Business. That is not influenced by the level of family support. Now a days we could often see successful Women Entrepreneurs and it is very much essential for the betterment of the economy and female community. So we can conclude that getting support from the family side will make them strong enough to face the entrepreneurial Challenges.

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